

# DEVELOPING A STRATEGIC PLANNING PROGRAM

## EXECUTIVE LEADERSHIP

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An applied research project submitted to the National Fire Academy  
as part of the Executive Fire Officer Program

May 2003

## **ABSTRACT**

Over the years, the Clinton Township Division of Fire has spent thousands of dollars to purchase, upgrade and maintain stations and equipment; unfortunately, the Division has done very little to plan for the on-going delivery of quality service to the community. The problem was that the Clinton Township Division of Fire did not have a strategic plan in place to guide decision making. The purpose of this applied research project was to develop an effective strategic plan for the organization.

This research utilized action research methodology to develop a checklist of items to address when implementing a strategic planning program. The research questions investigated were:

1. Why is a strategic plan needed?
2. What components have other fire service organizations included in the development of a strategic plan?
3. What is the projected impact of a strategic plan on the Clinton Township Division of Fire?

There were two primary procedures employed in the research. The first was obtaining strategic planning program information from other fire departments through the use of a survey. The other was the review of written and instructional materials available to identify recommended strategic planning components and to examine the impact of such a program on the fire department. The desired outcome of this research was to create a checklist to utilize when implementing an effective strategic planning program.

The major finding of this research was that the need for a strategic planning program is clearly documented and that such a program can have a significant impact on the organization both economically and administratively. The components of a strategic planning program can be described as planning to plan, values audit, development of mission, environmental scanning, performance audit, gap analysis, contingency planning, integrating functional plans, and implementation.

The results of the survey indicated that only 42% of the fire departments of central Ohio and of other Executive Fire Officer Program participants had a strategic planning program in place; yet, over 92% of the survey responders indicated that the delivery of quality service was not a problem in their respective organizations. The survey did indicate that organizations with strategic planning programs had lower percentages of service complaints and labor union grievances. This observation is an indication of the positive impact of a strategic planning program on the organization.

It is recommended that the Clinton Township Division of Fire develop and implement a strategic planning program by utilizing the information found in the research literature and the results of the project survey. Specifically, a strategic planning team should be established to develop, implement, monitor and evaluate the program. Lastly, further research should be conducted to better identify the impact of strategic planning programs.

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## INTRODUCTION

We are confronted more than ever before by the public with the demand that public services provide the highest quality service at the lowest possible cost. The degree to which organizations succeed is directly proportional to the amount of formal strategic planning that occurs within their respective organizations. All fire departments need a strategic plan. (Fire, 1997, p. 73). Strategic planning is the process by which the guiding members of the organization envision the organization's future and develop the necessary procedures and operations to achieve that future (Goodstein, Nolan, & Pfeiffer, 1989, p. 56).

The Clinton Township Division of Fire is experiencing confusion and conflict regarding direction, goals, and objectives. The problem is that the Clinton Township Division of Fire does not have an effective strategic planning program. The research questions investigated are:

1. Why is a strategic plan needed?
2. What components have other fire service organizations included in the development of a strategic plan?
3. What is the projected impact of a strategic planning program on the Clinton Township Division of Fire?

Strategic planning is not a tool reserved for business and industry and was not designed to help only for-profit companies. It has evolved over the years into a mechanism all organizations – formal or informal, business or non-business related, large or small can use to increase success in whatever activities they choose to pursue (Fire, 1996, p. 71). The purpose of this applied research project is to develop an effective strategic planning program. This research is an action research methodology to develop a checklist of items to address when implementing a strategic planning program.

## **BACKGROUND AND SIGNIFICANCE**

Clinton Township, Ohio is a small public jurisdiction located in the metropolitan area of Columbus, Ohio. The 2000 U.S. census reports Clinton Township as a community of nearly 5000 people residing in 2238 housing units and a median income of the \$27,865 (U.S. Census Bureau, 2000). The property valuations of the Clinton Township occupancies are approximately 95 million dollars (Franklin County, Ohio Auditor's Office, 2001). The majority of the residential and commercial occupancies were constructed in the mid-1950's with many of those structures now posing a serious fire threat due to deteriorating conditions.

The Clinton Township Division of Fire is combination-type fire department with a total of 40 full-time, part-time, and volunteer members. The organization depends heavily on the 8 full-time members to fill key positions and to handle important operational responsibilities. The Division operates an engine company and an advanced life support paramedic unit from one fire station. The daily firefighter staffing ranges from 3-5 firefighters. According to the *Clinton Township Division of Fire Annual Report*, the on-duty Clinton Township fire and EMS crews responded to 4008 emergencies in the year 2001 (Clinton Township Division of Fire, 2002, p. 6). Because of actual and potential emergency incident workload, the fire department participates in an automatic response agreement with the Columbus, Ohio Fire Department.

Over the past two years, the number of external and internal complaints regarding the organization's method of operation has exceeded acceptable levels. The survey conducted for this research project indicates that in some instances, Clinton Township is experiencing an annual complaint rate nearly 5 times the average of other area fire departments. One noticeable difference between Clinton Township and the other fire departments is the lack of a comprehensive strategic planning program in Clinton Township.

This research project was completed in accordance with the applied research requirements of the National Fire Academy's Executive Fire Officer Program. The problem addressed by this research project related specifically to Unit 2: Developing Self as a Leader and Unit 6: Succession/Replacement Planning, as presented in the *Executive Leadership* course. Unit 2: Developing Self as a Leader focused on executive leadership qualities and characteristics. Transformational leaders are described as having visionary leadership characteristics including:

Considers how a specific plan of action might be extended to benefit others.

Concentrates on clear and short-term goals clearly.

Explains long-range plans and goals clearly.

Expresses a vision that engages people.

Have plans that extend over a period of several years or longer.

The characteristics of long-term planning are clearly a part of this research. Unit 6: Succession/Replacement Planning is an organized and systematic way to ensure that employees in a particular organization are capable, competent, and willing to replace and/or succeed to strategic roles within the organization. This research explores the impact of developing the workforce by participating in the strategic planning process.

## **LITERATURE REVIEW**

The literature review for this project focused on three essential areas: (1) why a strategic plan is needed; (2) the components of strategic planning program; and (3) the impact of a strategic planning. All three topics were primarily researched through literature searches conducted at the libraries of the National Emergency Training Center in Emmitsburg, Maryland

and the public library located in Newark, Ohio. Additional research was conducted through resources available on the internet.

### **Why a Strategic Plan is Needed**

The rationale for developing a strategic planning program was obtained through the literature research and by conducting a survey of career and combination fire departments in the central Ohio area and of other Executive Fire Officer Program participants. The survey was developed to assess the presence of a strategic planning program, the utilization level of planning programs in comparable fire departments, and to identify the program components being used. The survey is included in this report as Appendix A.

The literature revealed several reasons for implementing a strategic planning program and how an organization can benefit from the process. Strategic planning is not a tool reserved for business and industry and was not designed to help only for-profit companies. It has evolved over the years into a mechanism all organizations – formal or informal, business or non-business related, large or small can use to increase success in whatever activities they choose to pursue (Fire, 1996. p. 71). Fire (1996) guarantees that strategic planning can be adopted for fire departments and any other type of organization in existence or yet to be invented (p. 71).

Strategic planning provides a vehicle for local governments at all levels to increase their ability to evaluate, select, and implement non-conventional approaches to the financing and delivery of essential public services (Marihugh, 1990, p. 1). According to Bryson (1988), strategic planning is defined as a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it. Unless



these organizations increase their own capacity to think and act strategically, they are unlikely to be effective supporters of their community's well-being (p. 6).

Strategic planning can help an organization:

- Think strategically and develop effective strategies.

- Clarify future direction.

- Establish priorities.

- Make today's decisions in light of their future consequences.

- Develop a coherent and defensible basis for decision-making.

- Exercise maximum discretion in the areas under organizational control.

- Make decisions across levels and functions.

- Solve major organizational problems.

- Improve organizational performance.

- Deal effectively with rapidly changing circumstances.

- Build teamwork and expertise (Bryson, 1988, p. 11).

Strategic planning is the process by which the guiding members of the organization envision the organization's future and develop the necessary procedures and operations to achieve that future. The strategic planning process does more than plan for the future; it helps the organization create its' future (Goodstein, Nolan & Pfeiffer, 1989, p. 56-57).

Goodstein, Nolan & Pfeiffer (1989) state strategic planning and strategic management (the day-to-day implementation of the strategic plan) are the most important never-ending jobs of management, especially top management (p. 59). Any strategic planning process is worthwhile only if it helps key decision-makers think and act strategically. Strategic planning is not an end in itself, but merely a set of concepts to help leaders make important decisions and

take important actions. Indeed, if any strategic thinking process gets in the way of strategic thinking and acting, the process should be scrapped - not the thinking and acting (Bryson, 1988, p. 46).

### **The Components of Strategic Planning Programs**

The components of a strategic planning program were obtained through the literature research and by conducting a survey of career and combination fire departments in the central Ohio area, as well as other Executive Fire Officer Program participants. The survey was developed to assess the presence of a strategic planning program, the utilization level of planning programs in comparable fire departments, and to identify the program components being used. The survey is included in this report as Appendix A.

The central theme of all the definitions is that strategic planning is a systematic and continuing process of decision-making for future outcomes (Headings, 1997, p. 6). According to Headings (1997), it is necessary to form a strategic model to complete the systematic steps in strategic planning. Strategic models are a necessary tool used to process the steps of planning and implementation (p.7).

There is no one model for every organization. Models can have a variety of steps depending on the type of organization and its mission. Every strategic planning model should contain at least six basic elements: mission, needs assessment, strategic objectives, outcome measures, strategies, and performance feed-forward (Headings, 1997, p.7).

Bryson (1988) states ... any strategic planning system must address four fundamental questions:

Where are we going? (mission)

How do we get there? (strategies)

What is our blueprint for action? (budgets)

How do we know if we are on track? (control) (p. 31).

The steps of the preferred approach to strategic planning for public and nonprofit organizations are:

Initiating and agreeing on a strategic planning process.

Identifying organizational mandates.

Clarifying organizational mission and values.

Assessing the external environment: opportunities and threats.

Assessing the internal environment: strengths and weaknesses.

Identifying the strategic issues facing the organization.

Formulating strategies to manage the issues.

Establishing an effective organizational vision for the future (Bryson, 1988, p. 48)

A strategic planning model as described by Bryson (1988) is shown in Appendix D.

Fire (1997) uses the strategic planning process to address several key organizational questions including:

A. What business are we really in?

B. What is our vision statement?

C. What are our products and services?

D. What are our markets?

- Who are our customers?
- How have they grown or shrunk over the years?
- How has our business with them grown or shrunk?
- How do they describe us?

- What customers have we lost in the last five years?
- E. What are the trends of our business?
- Current changes/trends?
  - Future changes/trends?
- F. What is our current position in each of our markets?
- G. What is our historical performance in each of our markets?
- H. What is our historical financial data for the last five (or longer) years?
- Are the financial trends favorable?
  - How do the financial ratios compare with industry averages?
  - How do the financial ratios compare with our three most important competitors?
- I. What are our internal capabilities?
- What are our key result areas?
  - What are our strengths?
  - What are our weaknesses?
  - What are our service positions?
  - What are our potentials for growth and new technologies?
  - What is our current strategic game plan?
  - What is our organization?
  - What is our management style?
  - What are our major problems?
  - What are our major opportunities?
  - What are our major strategic issues? (p. 79-87).

The process is simply one of self-examination which at times can be very painful but always enlightening and very rewarding. The final objective of the strategic planning process is to produce a strategic plan for a length of the planning period (three to five years), with specific goals, objectives, and action plans to be carried out in the very next year (Fire, 1997, p. 78).

Goodstein, Nolan & Pfeiffer (1989) apply a strategic planning model as shown in Appendix C. The components of the model include:

1. Planning to plan - the pre-work of the strategic planning process involves answering a host of questions and making a number of decisions, all of which are critically important to the eventual success or failure of the entire planning process. Questions typical of those that should be answered are:

How much commitment to the planning process is present?

Who should be involved?

How does the organization's fiscal year fit the planning process?

How long will the strategic planning process take?

What information is needed in order to plan successfully?

Who needs to gather and analyze data?

2. Values audit - the values audit involves an examination of the values held by every individual and group affected by the strategic plan. This includes not only the members of the planning team but all other individuals who are major stakeholders in the organization. An organization's values are reflected in the way the organization approaches its work, sometimes referred to as the organization's philosophy of operations - quality, responsibility, efficiency, etc. The values audit also examines the organization's assumptions about the way things work, the ways in which decisions are

made, and the organization's culture. Once the values are successfully clarified and resolved, the differences are less likely to interfere with the planning process.

3. Development of a statement of mission - this step involves identifying and specifically stating what business the organization is in. In formulating its mission, an organization needs to answer three primary questions:

What function does the organization serve?

For whom does the organization serve this function?

How does the organization go about filling this function?

The mission statement should be easily understood by and communicated to all members of the organization. The mission statement provides an enormously valuable management tool to an organization; it clearly charts its future direction and established a basis for organizational decision making.

4. Environmental scanning - the environmental scanning process should be continual so that the appropriate information about what is happening or about to happen in the various environments is always available to the group. Strategic planning provides an opportunity to integrate much of the data the organization has already collected. Five environments need to be monitored:

The macro environment.

The industry environment.

The competitive environment.

The customer environment.

The organization's internal environment.

5. Performance audit - the performance audit examines the recent performance of the organization on the same basic performance indices that were identified in the strategic profile.
6. Gap analysis - the gap analysis determines whether or not a gap exists between the strategic business model and the organization's current performance. If a gap exists, the gap analysis will also determine the degree of the gap. The planning team must then try to be creative in finding strategies to close the gap.
7. Contingency planning - the strategic planning team needs to identify the major opportunities and threats facing the organization. Contingency planning provides the organization with alternative business-modeling strategies that can be used with a variety of scenarios.
8. Integrating functional plans - next, planning needs to be moved to the functional units of the organization. New planning teams are needed for each functional unit. Each unit's functional plan must be checked against the organizational values audit and mission statement to determine whether the proposed actions and directions are consistent with what the organization has said it wants to be.
9. Implementation - at the implementation phase, many strategic plans literally die and are never fully implemented. The real test of the final implementation of the strategic plan is the degree to which managers and other members of the organization use the strategic plan in their everyday decisions on the job.

(Goodstein, Nolan & Pfeiffer, 1989, p. 63-75).

Strategic planning and strategic management (the day-to-day implementation of the strategic plan) are the most important never-ending jobs of management, especially top

management. The future always faces us; thus, organizations must always be in the simultaneous processes of planning and implementing their plans (Benveniste, 1989, p.21).

### **The Impact of Strategic Planning Programs**

The literature reviewed indicates that a well-designed strategic planning program will have a positive impact on the organization. Having a strategic plan may not guarantee that your organization will achieve every goal it sets, but it is guaranteed that the organization that properly plans for its growth and success will have a higher degree of growth and success over the long haul than the organization that doesn't (Fire, 1996, p.74).

The use of a diversified Strategic Planning Team is an example of the positive impact on the organization. The chief of the department must be part of the senior planning team; and provisions should be made for obtaining input from every firefighter, officer, and other employee on every shift. Everyone – no matter how many employees – in the enterprise should have input to the planning team (Fire, 1996, p. 76).

An effective strategic planning program may also have a financial impact on the Clinton Township Division of Fire by reducing employee turnover. The participation and input of the entire workforce leads to happier, more productive employees. Happier employees translate into fewer turnovers (Stickle, 2001). Research suggests that replacing a key person on your staff will cost between 70 and 200 percent of the person's compensation (Kaye and Jordan-Evans, 1999, p. 112). According to the Bureau of National Affairs, Inc. (1981), the cost of turnover in companies providing data ranges from \$500.00 to \$7000.00 per occurrence – the figure often depending on the level of the position (p. 13).

The final results of a good strategic planning program will not surprise any organization that seriously embarks of this process. Strategic planning is a guide that will help you and your



organization accomplish whatever you want to accomplish. It is a formal, written, agreed-to-by-all-concerned, multi-page document that lays out step-by-step the procedures the organization will use to get to the final goal or set of objectives (Fire, 1996, p. 71).

In summary, the literature review and the survey identified (a) several perspectives addressing the need for a strategic planning program; (b) the components of strategic planning programs being utilized by other organizations; and (c) the significant impact that a quality improvement program has on a fire department.

## **PROCEDURES**

### **Definition of Terms**

Customer. The customer is anyone, any group, or any organization that wants, needs, or in any way depends on your organization's goods and services. If the organization is a fire department, the customers are all of the individual citizens, all of the commercial and industrial companies, and any other organization (such as schools, the local library, hospitals, and so on) within the jurisdiction and some that may just be passing through on the highways, on the railroads, or in the air (Fire, 1996).

Stakeholders. Stakeholders are citizens, taxpayers, service recipients, the governing body, employees, unions, interest groups, political parties, the financial community, and other governments. Attention to stakeholder concerns is crucial because the key to success in public and nonprofit organizations is the satisfaction of key stakeholders (Bryson, 1988).

Strategic Issue. A strategic issue is defined as a fundamental policy choice affecting an organization's mandates, mission, values, product or service level, clients or users, cost, financing, organization, or management (Bryson, 1988).

Strategic Planning. Strategic planning is the process by which the guiding members of the organization envision the organization's future and develop the necessary procedures and operations to achieve that future (Goodstein, Nolan & Pfeiffer, 1989).

### **Research Methodology**

This research project employs action research methodologies to meet the objectives of (a) identifying the need for a strategic planning program; (b) identifying the components being utilized in strategic planning programs within other organizations; and (c) projecting the impact of a strategic planning program on the Clinton Township Division of Fire. The objectives were addressed through an extensive literature review and by conducting a survey of the fire departments in the central Ohio area and of other Executive Fire Officer Program participants. The survey utilized appears as Appendix A.

The problem statement was rechecked for both clarity and comprehensiveness. The purpose statement established the desired outcome and goal of developing an effective strategic planning program. A checklist was created to utilize when implementing a strategic planning program in the Clinton Township Division of Fire. The researcher conducted a situational analysis to determine if there were any factors and/or forces that may be present during the project that could either assist or impede reaching the project goal. The primary factor identified that could either assist or impede the research was the perception of the project from the local firefighter's union. In an effort to gain their support, the researcher informed the union executive board as the project progressed and solicited their input.

An extensive literature review was conducted to determine (a) the benefits of implementing a strategic planning program; (b) the components of a strategic planning

program; and (c) the impact of a strategic planning program on a fire department. The topics were primarily researched through literature searches conducted at the libraries of the National Emergency Training Center in Emmitsburg, Maryland and the public library located in Newark, Ohio. Additional research was conducted through resources available on the internet.

To obtain additional fire service specific information and to address the question of strategic planning program components being utilized in other fire departments, the researcher drafted a survey with the assistance of the staff and union officers of the Clinton Township Division of Fire. These members suggested various criteria and items that may be considered when developing a strategic planning program in their own organization. A total of 75 surveys were distributed throughout central Ohio and to other Executive Fire Officer Program participants by several means including hand-delivery, facsimile, electronic mail, and the regular mail system.

The survey was designed to: (a) assess the demographics of the responding fire department; (b) evaluate of the presence of a quality service problem; (c) identify the components of any strategic planning program being utilized; and (d) examine the impact of the strategic planning program on the organization. The survey initially asked responders to rate the population served, the size of the department budget, the number of personnel, whether a labor union existed within the organization, and whether the delivery of quality service was considered to be a problem in their respective organizations. The survey asked the responders to count the number of public complaints and the number of labor union grievances that were received in 2002. The survey requested that the responder identify any strategic planning components currently being utilized and to then estimate the impact of such items on the

organization. The raw data obtained from the surveys was arranged and tabulated to attain average ratings for each of the designated criteria.

### **Assumption and Limitations**

The lack of some applicable resource materials limited the research. The local library system did not recognize the interlibrary system to obtain additional materials from the National Fire Academy Library. The National Fire Academy Library was able to provide limited materials but was not able to provide all resources requested by the researcher without the assistance of a local library.

## **RESULTS**

A checklist of components to address when initiating a strategic planning program in the Clinton Township Division of Fire appears as Appendix B.

### **Answers to Research Questions**

Research Question 1. The need for strategic planning is clear. The degree to which organizations succeed is directly proportional to the amount of formal strategic planning that occurs within their respective organizations. It cannot be denied that the strategic planning process is a blueprint for success for all types of organizations. An organization that does not plan admits it has no goals, no objectives, and no concept of time or direction. All fire departments need a strategic plan (Fire, 1996, p.73-74).

Strategic planning provides a vehicle for local governments at all levels to increase their ability to evaluate, select, and implement non-conventional approaches to the financing and delivery of essential public services (Marihugh, 1990, p. 1). If the fire service doesn't want to be left in the dust, we have to improve our competitiveness during each round of budget exercises by increasing our strategic planning and self-assessment competencies. That's one of

the challenges for the fire service today, to move from ambiguity to certainty in both long and short-term planning efforts. The degree to which we can identify, categorize and classify the elements of fire protection in relation to costs is going to be the extent of sanity that we can bring to the decision-making process at budget time (Coleman, 1997, p. 25).

The survey conducted for this research project indicates that other fire departments believe that there are benefits to implementing a strategic planning program. Of the responses indicating the use of strategic planning, 68.2% cited improved service delivery to the community, 22.7% realized a reduction in complaints from the public, 27.3% experienced fewer grievances from the labor union, and 31.8% believed that the organizational culture was improved with better morale.

Preuer (2002) lists the benefits of strategic planning as:

Improved use of public and private sector resources.

Implementation of new technology and/or innovative approaches.

Improved fire and emergency management resulting in lower insurance costs and reduced fire losses (p.1)

The central theme of all the definitions is that strategic planning is a systematic and continuing process of decision-making for future outcomes (Headings, 1997, p. 6). Dealing with constant change is inevitable. The strategic plan needs to become the template on which organizational decisions are based. Whereas plans could once be launched and expect to hit the target, today's targets change direction fast; strategic plans must be designed to follow the target ( Goodstein, Nolan, & Pfeiffer, 1989, p. 263). If the benefits of effecting change and exploiting opportunities are to be realized, a through understanding of strategic planning is essential (Headings, 1997, p. 6).

The lack of an effective strategic planning program can lead to an increase in dissatisfied customers and dissatisfied customers lead to unhappy voters (Harris, 2002). Buckley (1994) states "Eighty percent of all consumer choices are associated with personal recommendations, and each dissatisfied customer is likely to share his or her views with an average of 11 other people" (p. 3). In a small community such as Clinton Township, it would not be long before the fire department loses the much-needed support of the voters (Harris, 2002).

Research Question 2. The literature reviewed and the results from the survey reveal many different approaches and components of an effective strategic planning program.

The first component is to establish a strategic planning team and to appoint a facilitator for the process. A planning team of more than 10 or 12 is too unwieldy to be effective. To facilitate the strategic planning process, it is often necessary to use an objective third party. The person can be from inside the organization but is frequently preferable to bring someone in from outside the organization to maximize objectivity throughout the process (Goodstein, Nolan & Pfeiffer, 1989, p. 64).

In a not-for-profit organization like a fire department, the senior planning team would consist of the officers who lead the various departments or divisions within the department (fire prevention, fire suppression, and inspections, for example). The chief of the department must be part of the senior planning team; and provisions should be made for obtaining input from every firefighter, officer, and other employee on every shift (Fire, 1996, p. 74).

To complete the systematic steps in strategic planning, it is necessary to form a strategic model. Strategic models are a necessary tool used to process the steps of planning and implementation. There is no one model for every organization. Models can have a variety of steps depending on the type of organization and its mission. Every strategic planning model

should contain at least six basic elements: mission, needs assessment, strategic objectives, outcome measures, strategies, and performance feed-forward (Headings, 1997, p. 7).

There are several examples of strategic planning models for an organization to adopt. Two such models are included in this research as Appendix C and Appendix D. Goodstein, Nolan & Pfeiffer (1989) have established the strategic planning model as shown in Appendix C. The critical components of such model include and are described as:

1. Planning to plan - the pre-work of the strategic planning process involves answering a host of questions and making a number of decisions, all of which are critically important to the eventual success or failure of the entire planning process. Questions typical of those that should be answered are:

How much commitment to the planning process is present?

Who should be involved?

How does the organization's fiscal year fit the planning process?

How long will the strategic planning process take?

What information is needed in order to plan successfully?

Who needs to gather and analyze data?

2. Values audit - the values audit involves an examination of the values held by every individual and group affected by the strategic plan. This includes not only the members of the planning team but all other individuals who are major stakeholders in the organization. An organization's values are reflected in the way the organization approaches its work, sometimes referred to as the organization's philosophy of operations - quality, responsibility, efficiency, etc. The values audit also examines the organization's assumptions about the way things work, the ways in which decisions are

made, and the organization's culture. Once the values are successfully clarified and resolved, the differences are less likely to interfere with the planning process.

3. Development of a statement of mission - this step involves identifying and specifically stating what business the organization is in. In formulating its mission, an organization needs to answer three primary questions:

What function does the organization serve?

For whom does the organization serve this function?

How does the organization go about filling this function?

The mission statement should be easily understood by and communicated to all members of the organization. The mission statement provides an enormously valuable management tool to an organization; it clearly charts its future direction and established a basis for organizational decision making.

4. Environmental scanning - the environmental scanning process should be continual so that the appropriate information about what is happening or about to happen in the various environments is always available to the group. Strategic planning provides an opportunity to integrate much of the data the organization has already collected. Five environments need to be monitored:

The macro environment.

The industry environment.

The competitive environment.

The customer environment.

The organization's internal environment.



5. Performance audit - the performance audit examines the recent performance of the organization on the same basic performance indices that we identified in the strategic profile.
6. Gap analysis - the gap analysis determines whether or not a gap exists between the strategic business model and the organization's current performance. If a gap exists, the gap analysis will also determine the degree of the gap. The planning team must then try to be creative in finding strategies to close the gap.
7. Contingency planning - the strategic planning team needs to identify the major opportunities and threats facing the organization. Contingency planning provides the organization with alternative business-modeling strategies that can be used with a variety of scenarios.
8. Integrating functional plans - next, planning needs to be moves to the functional units of the organization. New planning teams are needed for each functional unit. Each unit's functional plan must be checked against the organizational values audit and mission statement to determine whether the proposed actions and directions are consistent with what the organization has said it wants to be.
9. Implementation - at the implementation phase, many strategic plans literally die and are never fully implemented. The real test of the final implementation of the strategic plan is the degree to which managers and other members of the organization use the strategic plan in their everyday decisions on the job.

(Goodstein, Nolan & Pfeiffer, 1989, p. 64-75).

The responses to the Strategic Planning Program Survey revealed that the fire departments of central Ohio and other Executive Fire Officer Program participants are utilizing

a wide-variety of planning components within their organizations. A total of 75 surveys were distributed throughout central Ohio and to other Executive Fire Officer Program participants by several means including hand-delivery, facsimile, electronic mail, and the regular mail system. Fifty-two surveys were completed and returned, which accounted for a 69% response rate. The survey indicated that 58% of the responders did not have a formal strategic planning program. The table below indicates the program components of the responders who reported having a strategic planning program:

<b>STRATEGIC PLANNING COMPONENTS UTILIZED IN OTHER FIRE DEPARTMENTS</b>			
<b>Component</b>	<b>F.D. %</b>	<b>Component</b>	<b>F.D. %</b>
Organization-wide strategic planning	68.2%	Fire dept. only strategic planning	31.8%
Use of Strategic Planning Team	100%	Labor union members on planning team	77.3%
F.D. administration on planning team	100%	Community members on planning team	50%
Use of outside consultant to lead process	59.1%	Use of planning model to guide process	90.9%
Mission statement development	81.8%	Vision statement development	36.4%
Public feedback mechanism developed	40.9%	Other	31.8%

Table 1: The strategic planning program components being utilized by other fire departments.

Preuer (2002) lists the following fire service areas for the strategic planning team to evaluate:

- Fire suppression
- EMS services
- Fire administration
- Special services
- Station locations
- Fire prevention
- Public education
- Dispatch
- Training
- Staffing

Apparatus and equipment

Water supply

Emergency management

Fire investigation (p. 2)

Preuer (2002) further defines the following steps to success when implementing a strategic planning program:

Develop/analyze data

Determine/appoint personnel

Presentations

Refine data into points

Determine recommendations

Create report

Present plan to governing Board

Seek adoption

Implement timetable

Institute system of checks/balances (p. 3).

Research Question 3. The impact of a comprehensive quality strategic planning program is revealed by examining the results of the survey. Of the responses received, only 42.3% reported having a strategic plan in place. An initial review of the survey results reveals that 92.3% of the respondents do not consider the delivery of quality service to be a problem in their respective organizations. However, a closer look indicates a lower rate of public complaints and a lower rate of labor union grievances when the responding fire department identifies the presence of a strategic planning program.

Some components of a strategic planning program can have a specific impact on the organization. The use of a diverse strategic planning team is an example participative management. The more people in the organization who participate in the strategic planning process, the more the plan will reflect the goals of the entire organization and the higher the likelihood that everyone involved will buy into the plan (Fire, 1996, p. 71). The agency wins because it's members are happier and more motivated to do good work.

An effective strategic planning program would also have a financial impact on the Clinton Township Division of Fire. As mentioned above, inclusive and diverse strategic planning team leads to happier, more productive employees. Happier employees translate into fewer turnovers (Stickle, 2001). Research suggests that replacing a key person on your staff will cost between 70 and 200 percent of the person's compensation (Kaye and Jordan-Evans, 1999, p. 112). According to the Bureau of National Affairs, Inc. (1981), the cost of turnover in companies providing data ranges from \$500.00 to \$7000.00 per occurrence – the figure often depending on the level of the position (p. 13). When considering the limited funds available and the firefighter turnover rate of 87.5% in the last 36 months, the cost of turnover to the Clinton Township Division of Fire is overwhelming. Reducing the turnover rate with the assistance of an effective strategic planning program would positively impact the budget of the organization.

Having a strategic plan may not guarantee that your organization will achieve every goal it sets, but it is guaranteed that the organization that properly plans for its growth and success will have a higher degree of growth and success over the long haul than the organization that doesn't (Fire, 1996, p. 74). Strategic planning can give organizational leaders the ability to shape the future of their organizations. Strategic planning and strategic management (the day-

to-day implementation of the strategic plan) are the most important never-ending jobs of management, especially top management. The future always faces us; thus, organizations must always be in the simultaneous processes of planning and implementing their plans (Goodstein, Nolan & Pfeiffer, 1989, p. 59).

## **DISCUSSION**

The researcher believes that the need for a strategic planning program in the Clinton Township Division of Fire is obvious. Based on the number of public complaints and grievances from the labor union, the literature reviewed, and the information collected by the survey, it is clear that a strategic planning program would benefit both the community and the organization. The components of the program would address several aspects of the organization.

It is the researcher's opinion that sustained leadership is the single most critical element for ensuring the success of strategic planning. Strategic planning can give organizational leaders the ability to shape the future of their organizations. In *Shaping Strategic Planning*, Goodstein, Nolan & Pfeiffer (1989) state "The payoff of strategic planning is in the implementation of the strategic plan. The acid test for any strategic planning process is the degree to which it impacts the ongoing behavior of the organization" (p. 263). If ongoing management commitment is not demonstrated through daily actions, any effort to implement strategic planning will be thwarted. Strategic planning is a long-term investment. Without a strong process for ensuring its implementation, there is no reason for developing a strategic plan (Boyd, 2000).

It is the researcher's opinion that strategic planning is not the job of an individual or group of individuals. The more people in the organization who participate in the strategic

planning process, the more the plan will reflect the goals of the entire organization and the higher the likelihood that everyone involved will buy into the plan. Everyone – no matter how many employees – in the enterprise should have input to the planning team (Fire 1997, p. 78). The formation and use of a Strategic Planning Team will accomplish the goal of participation.

The researcher believes that communication and feedback from both internal and external customers is important to evaluate the effect of the strategic plan and the quality of service delivered. By far, the most valuable approach to assessing the quality of government service is to ask recent users to comment on the quality of the service. Giving citizens a voice by providing an opportunity for feedback will improve both the image of the department and of the elected officials in the eyes of the public. Customer surveys can be utilized to improve efficiency and effectiveness in service areas (Benveniste, 1989, p. 23).

The researcher believes that implementing a comprehensive strategic planning program would have a positive impact on both the community and the Clinton Township Division of Fire. The complaint and grievance rate within the Division is excessive when compared to the other fire departments responding to the research survey. The researcher feels that the program would address the service delivery, financial and administrative concerns.

## **RECOMMENDATIONS**

The Clinton Township Division of Fire should work towards implementing a comprehensive strategic planning program. A combination of the guidelines from the literature reviewed for this applied research project and the results of the Strategic Planning Program Survey should be utilized to construct the program for the organization. The strategic planning model outlined by Bryson (1988) in *Strategic Planning For Public and Non-Profit Organizations* is recommended as a guide. Such model is shown in Appendix D. The

development of the strategic planning program should follow the checklist outlined here and as shown in Appendix B.

The organization must first initiate and agree on the strategic planning process. The Clinton Township Board of Trustees must agree to and approve of the overall strategic planning effort and the key planning steps. The agreement should cover: the worth of the effort; persons, units, groups, or organizations to be involved; steps to be followed; form and timing of reports; role functions and membership of the strategic planning committee; and commitment of necessary resources to begin the effort (Bryson, 1988, p.48).

An organizational Strategic Planning Team should be established to develop, implement, and evaluate the program. The team should include members from all levels of the department including chief officers, company officers and firefighters. The team should also include a representative from the local labor union, as well as elected officials and members of the local business community. Key responsibilities of the team would be to define the role of each team member, establish the reasons for implementing a strategic planning program, and to establish the goals and objectives of the program. Once the goals and objectives are determined, a plan must be formalized. The areas to review, evaluate, and develop must be determined based on specific community needs. The team must also establish a data collection process to evaluate the effectiveness of the entire program.

A facilitator from outside of the organization should be hired to guide the planning process. To facilitate the strategic planning process, it is often necessary to use an objective third party. It is frequently preferable to bring someone in from outside the organization to maximize objectivity throughout the process (Goodstein, Nolan & Pfeiffer, 1989, p. 64).

The formal and informal mandates placed on an organization are the "musts" it confronts and they must be clarified. Actually, it is surprising how few organizations know precisely what they are mandated to do and not to do. Typically, few members of any organization have ever read the relevant legislation, ordinances, charters, articles, and contracts that outline the organization's formal mandates (Bryson, 1988, p. 49).

The Strategic Planning Team should conduct a stakeholder analysis. Examples of a government's stakeholders are citizens, taxpayers, service recipients, the governing body, employees, unions, interest groups, political parties, the financial community, and other governments. Attention to stakeholder concerns is crucial because the key to success in public and nonprofit organizations is the satisfaction of key stakeholders (Bryson, 1988, p. 52).

The next step is to clarify the organizational mission and values. An organization's mission, in tandem with its mandates, provide its social justification for existence. For a government agency, this means there must be identifiable social or political needs that the organization seeks to fill. Clarifying purpose can eliminate a great deal of unnecessary conflict in an organization and help channel discussion and activity productively (Bryson, 1988, p.49).

The planning team should explore the environment outside of the organization to identify the opportunities and threat the organization faces. Opportunities and threats can be discovered by monitoring a variety of political, economic, social, and technological forces and trends.

Next, the internal environment must be assessed. To identify internal strengths and weaknesses, the organization must monitor resources (inputs), present strategy (process), and performance (outputs). Most organizations have volumes of information on their inputs such as



salaries, supplies, and personnel. They tend to have a less clear idea of their strategy. And typically, they can say little, if anything, about outputs, let alone the affects those outputs have on clients, customers, or payers (Bryson, 1988, p.54).

The planning team must identifying the strategic issues facing the organization and formulate strategies to manage the issues. Usually, it is vital that strategic issues be dealt with expeditiously and effectively if the organization is to survive and prosper. An organization that does not respond to a strategic issue can expect undesirable results from a threat, a missed opportunity, or both (Bryson, 1988, p. 56).

Establishing an effective organizational vision for the future is a crucial step. The organization develops a description of what it should look like as it successfully implements it's strategies and achieves it's full potential. This description is the organization's "vision of success" (Bryson, 1988, p. 60).

Subject items to consider for review and evaluation include, but are not limited to:

Fire suppression

EMS services

Fire administration

Special services

Station locations

Fire prevention

Public education

Dispatch

Training

Staffing

Apparatus and equipment

Water supply

Emergency management

Fire investigation (Preuer, 2002, p. 2).

Lastly, the entire program needs to be monitored for effectiveness. Monitor both public and employee feedback through the use of surveys and personal interviews. A data collection process should be established to evaluate the program.

It is clear that a strategic planning initiative will be beneficial to the fire department, the firefighters, and ultimately the public served. In an effort to improve the data currently available, further research should be conducted to better identify the long-term impact of strategic planning programs.

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## APPENDIX A

### NATIONAL FIRE ACADEMY/EXECUTIVE FIRE OFFICER PROJECT STRATEGIC PLANNING PROGRAM SURVEY

1. Please provide the following demographic data about your department:

Population served \_\_\_\_\_

Department budget      \_\_\_ under 1 million annually  
                                      \_\_\_ 1- 5 million annually  
                                      \_\_\_ over 5 million annually

Number of Personnel      \_\_\_\_\_

Labor Union?              Yes \_\_\_\_\_ No \_\_\_\_\_

2. Do you consider the delivery of quality service to be a problem in your organization?

[ ] yes                      [ ] no

3. If applicable, how many grievances were filed by the labor union in 2002?

\_\_\_\_\_

4. How many service complaints did you receive from the public in 2002? \_\_\_\_\_

5. Does your fire department have a strategic plan in place?

[ ] yes                      [ ] no (if no, please quit and return survey)

6. Please check all strategic planning components that apply to your organization:

- \_\_\_ Organization-wide strategic planning
- \_\_\_ Fire department only strategic planning
- \_\_\_ Use of strategic planning committee
- \_\_\_ Labor union committee members
- \_\_\_ Administrative staff committee members
- \_\_\_ Community committee members
- \_\_\_ Use of outside consultant to lead strategic planning process
- \_\_\_ Use of a strategic planning model to guide the process
- \_\_\_ Mission statement development
- \_\_\_ Vision statement development
- \_\_\_ Public feedback mechanism
- \_\_\_ Other strategic planning items - please describe

\_\_\_\_\_

7. What affect has strategic planning had on service delivery?

- ☐ no effect
- ☐ decreased service
- ☐ improved service
- ☐ undetermined

8. What affect has the strategic planning program had on the frequency of public complaints?

- ☐ no affect
- ☐ fewer complaints
- ☐ more complaints
- ☐ undetermined

9. What affect has the strategic planning program had on the frequency of labor union grievances?

- ☐ no affect
- ☐ fewer grievances
- ☐ more grievances
- ☐ undetermined

10. What affect has the strategic planning program had on organizational culture?

- ☐ no affect
- ☐ better morale
- ☐ worse morale
- ☐ undetermined

**Thank you for your assistance!**

**Please return, fax, or e-mail the survey by March 15, 2003 to:**

**Chief Randy Stickle  
3820 Cleveland Avenue  
Columbus, Ohio 43224  
Fax: (614) 476-9700**

**E-mail: [rstickle@clintontwp-columbus.org](mailto:rstickle@clintontwp-columbus.org)**

## **APPENDIX B**

### **Strategic Planning Program Implementation Checklist**

- \_\_\_\_ 1. Initiate and agree on the strategic planning process. Obtain approval from the Clinton Township Board of Trustees to proceed with a strategic planning program.
- \_\_\_\_ 2. Form a Strategic Planning Team. Include organizational members from all levels, as well as elected officials and members of the local business community.
- \_\_\_\_ 3. Hire/appoint a facilitator to guide the planning process.
- \_\_\_\_ 4. Clarify organizational mandates.
- \_\_\_\_ 5. Conduct a stakeholder analysis.
- \_\_\_\_ 6. Clarify organizational mission and values.
- \_\_\_\_ 7. Assess the external environment to identify opportunities and threats.
- \_\_\_\_ 8. Assess the internal environment to identify strengths and weaknesses.
- \_\_\_\_ 9. Identify the strategic issues facing the organization.
- \_\_\_\_ 10. Formulate strategies to manage the issues.
- \_\_\_\_ 11. Establish an effective organizational vision for the future. This is the organization's "vision of success."
- \_\_\_\_ 12. Subject items to consider for review and evaluation include, but are not limited to:
  - Fire suppression
  - EMS services
  - Fire administration
  - Special services
  - Station locations
  - Fire prevention
  - Public education

Dispatch

Training

Staffing

Apparatus and equipment

Water supply

Emergency management

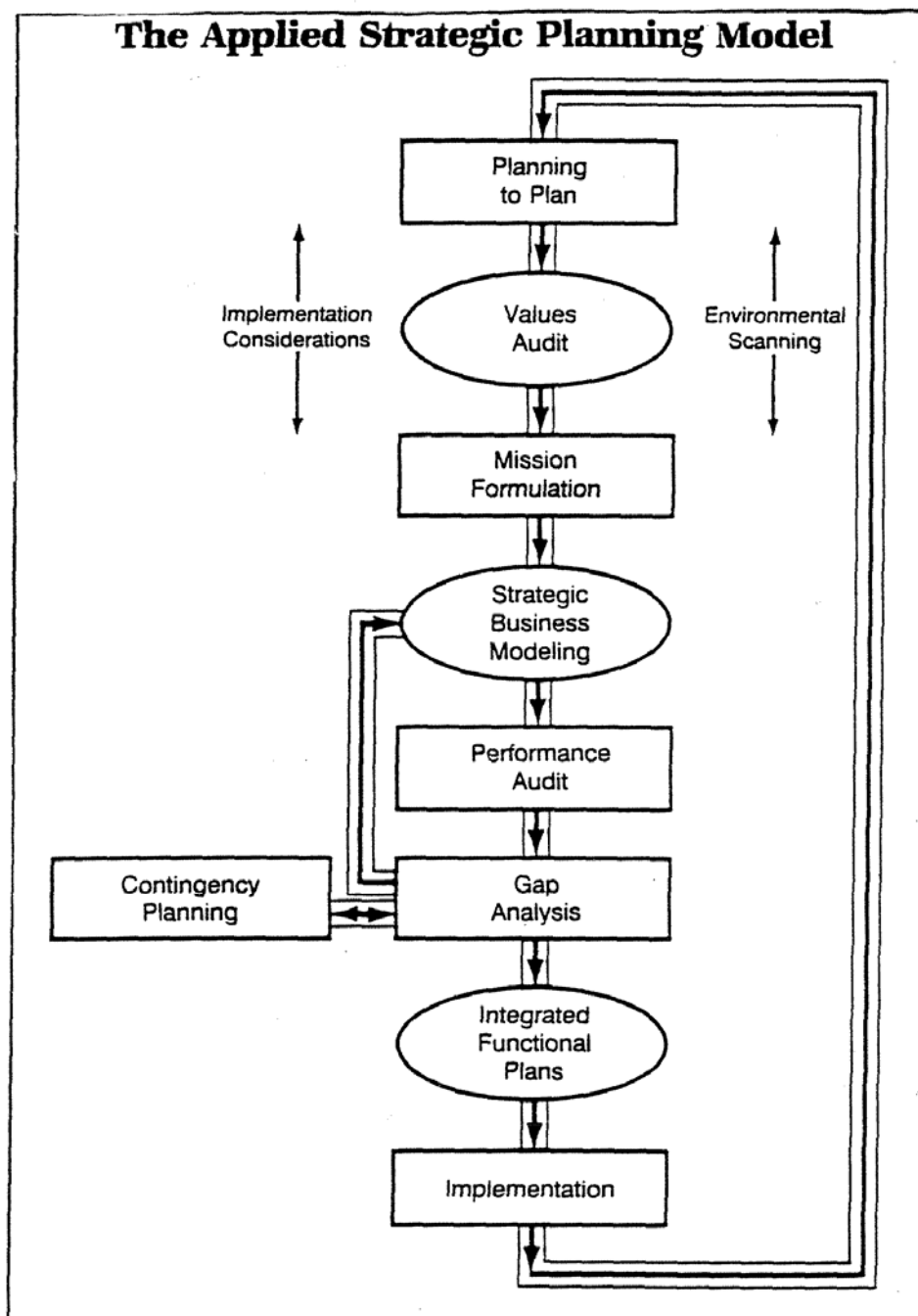
Fire investigation

- \_\_\_\_\_ 13. Monitor both public and employee feedback through the use of surveys and personal interviews.
- \_\_\_\_\_ 14. Establish a data collection process to evaluate the effectiveness of the entire program.



## APPENDIX C

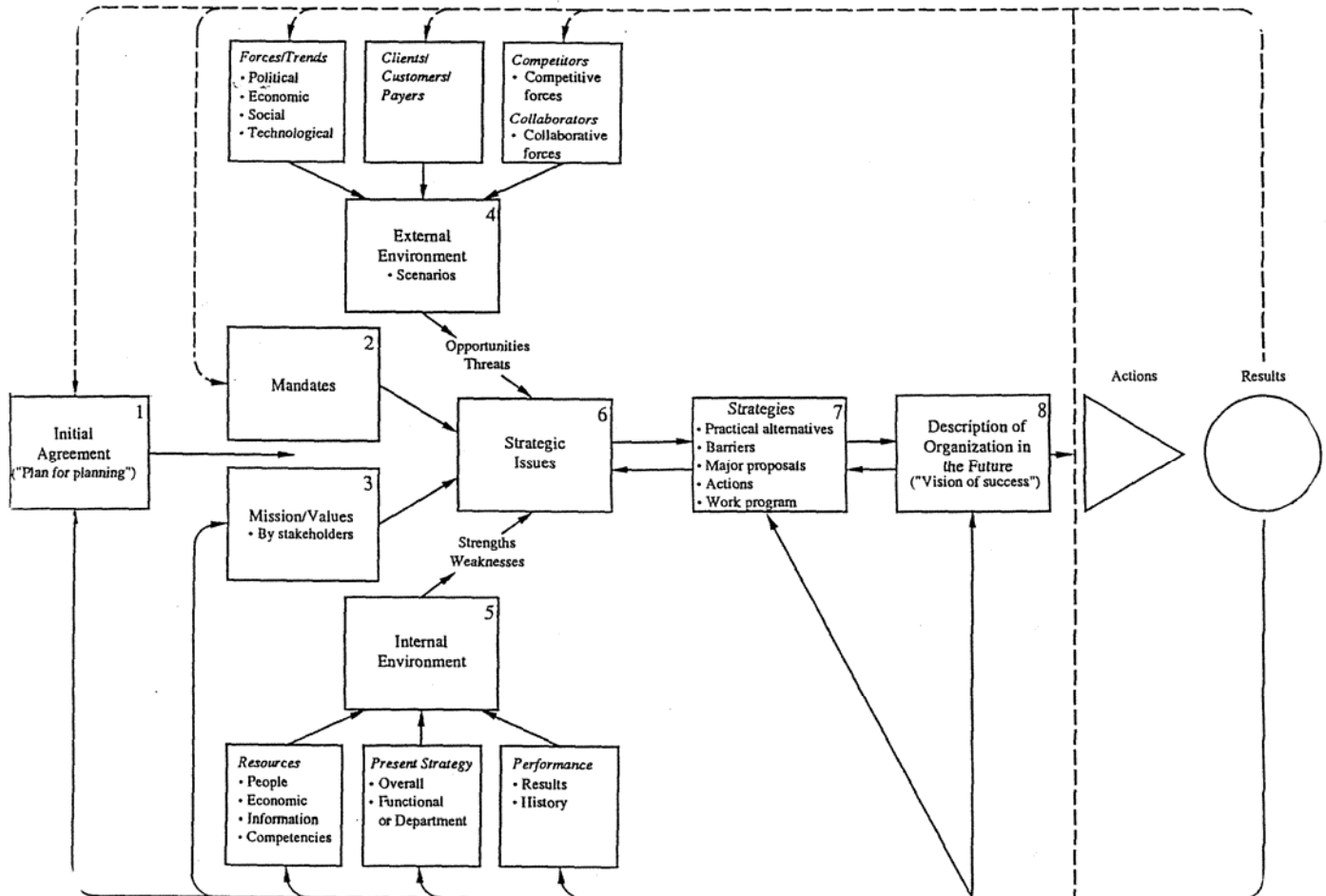
## Strategic Planning Program Model



Source: Goodstein, Nolan & Pfeiffer (1989)

## APPENDIX D

## Strategic Planning Program Model



Source: Bryson (1988).